

Governor

GARY R. HERBERT Lieutenant Governor

State of Utah DEPARTMENT OF NATURAL RESOURCES

m/41/0012

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

October 29, 2009

Corey Thurston Western Clay Company 620 East State Hwy 24 Aurora, Utah 84620

Subject: Review of Consolidated Notice of Intention to Commence Large Mining Operations, Western Clay Company, Bentonite Pits, M/041/0012, Sevier County, Utah

Dear Mr. Thurston:

The Division has completed a review of your Consolidated Notice of Intention to Commence Large Mining Operations for the Bentonite Pits. This is being considered an amendment by the Division since it also includes adding new areas to be mined as well as reducing your liability for areas that have been mined and subsequently reclaimed. The attached comments will need to be addressed before this amendment can be approved.

On July 30, 2009, we received an application to release 8.2 acres of the North Sheep Trail Pit. The grading work is satisfactory, but vegetation has not yet become established. Revegetation costs will need to remain in the surety calculation which will be revised as part of this overall amendment.

The comments are listed under the applicable Minerals Rule heading; please format your response in a similar fashion. Please address only those items requested in the attached technical review by sending replacement pages of the original mining notice using redline and strikeout text, so we can see what changes have been made. After the notice is determined technically complete and we are prepared to issue final approval, we will ask that you send us two clean copies of the complete and corrected plan. Upon final approval of the permit, we will return one copy stamped "approved" for your records.

The Division will suspend further review of the Notice of Intention until your response to this letter is received.



Page 2 Corey Thurston Western Clay Company M/0410012 October 29, 2009

If you have any questions in this regard please contact me at 801-538-5261 or Lynn Kunzler at 801-538-5310. Thank you for your cooperation in completing this permitting action.

Paul B. Baker

Minerals Program Manager

INITIAL REVIEW OF NOTICEOF INTENTION TO COMMENCE LARGE MINING OPERATIONS

Western Clay Company Bentonite Pits

M/041/0012 October 29, 2009

R647-4-104 - Operator's, Surface and Mineral Ownership

. (`omm ent#	Sheet/Page/ Map/Table #	Comments	Initials	Review Action
4	1	3	Legal description is incorrect. The third line should be SE 1/4 of section 35 vs. the NE	lk	
- 1	1		1/4 section.		

R647-4-105 - Maps, Drawings & Photographs

105.3 - Drawings or Cross Sections (slopes, roads, pads, etc.)

Comm ent#	Sheet/Page/ Map/Table #	Comments	Initials	Review Action
2	Not	The NOI needs to include a long section and cross sections of each pit area, showing	lk	
	Included	the extent of mining and the proposed final grade of the mined out area.		

R647-4-106 - Operation Plan

106.3 - Estimated acreages disturbed, reclaimed, annually

		COLUMN TO THE RESIDENCE OF THE PARTY OF THE			
3.	omm ent#	Sheet/Page/ Map/Table #	Comments	Initials	Review Action
	31R #	iviap/ rabic #	Ţ.		ACTION
:	3	5	The table showing the estimated acreage identifies a total of 57.5 acres, yet the maps	lk	
			identify 67.4 acres. These figures should be the same. It is likely that this table was		
			not updated to reflect the proposed 10.4 acres that will be disturbed with the new pit.		

106.5 - Existing soil types, location, amount

Comm ent#	The second secon	Comments	Initials	Review Action
4	7	Please provide a copy of the NRCS soil survey descriptions for each soil type being	lk	.1
		affected by this operation. This material may be placed in an appendix with a		
		reference to the appendix in the text.		

R647-4-113 - Surety

Comment #	Sheet/Page/ Map/Table #	Comments	Initials	Review Action
5	15	The surety calculations provided cannot be verified (lack of information in the plan, such as the cross sections, to verify volumes for backfill and grading). The Division provided a spreadsheet via email for your use in developing the reclamation cost estimate. Please include this completed spreadsheet with your response to this review. Please make sure you document the various volumes, acres, etc., and include (or exclude as the case my be) the reclamation work completed on the North Pit, showing only the revegetation costs associated with that area. This action will effectively combine your recent partial bond release request with the approval of this amendment.	1k	